



iDMB

A Newsletter for the Employees of the Department of Management and Budget

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New awards honor employees

In the Department of Management and Budget, living the values is more than a concept. It's a standard we strive to meet in providing exceptional service.

Beginning next month, DMB will initiate a new program to recognize employees who consistently demonstrate the values, provide excellent service, lead by example, and engage in innovative thinking. These employees are eligible for DMB's new Employee Excellence Awards, which will honor one exemplary employee in each of the following five areas:

- **Customer Service**, which recognizes employees who consistently demonstrate exceptional service and meet customer needs effectively and efficiently.
- **Every Day Hero**, which affirms the value we place on employees who may not be in the spotlight yet consistently demonstrate dependability, diligence and initiative.
- **Innovator Award**, which acknowledges employees with creative ideas who serve as a catalyst for innovation.
- **Leadership Award**, which honors employees at any level of DMB who blaze new trails, step up to the challenge to lead, and inspire others to come along.
- **Living the Values Award**, which recognizes employees who consistently demonstrate DMB's values and serve as a model for others.

The awards will be presented annually during DMB's Employee Recognition Event. This year's reception is set for Tuesday, Sept. 21.

Names of award recipients will be engraved on a department trophy, which they may display at their worksite for the year following the presentation. They also will receive individual plaques recognizing their achievement and will be photographed for displays in the Lewis Cass Building and on Web sites.

Award winners also may participate in a professional development opportunity that enables them to develop their skills and grow in their careers.



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News from the Offices

Business forums set across state

Staff from DMB and other state departments opened the 2004 series of Business Opportunity Forums at Lansing Community College May 20.

The forums, which are free and open to the public, help business owners understand how to sell their services to governmental entities, colleges and universities, and nonprofit organizations in Michigan. Since their beginning six years ago, the forums have provided outreach to thousands of individuals and small businesses statewide, strengthening business relationships with communities and allowing resource sharing.

Thirteen more forums will be held in locations throughout Michigan until October.

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New MI HR center to help with routine personnel services

Beginning in August, DMB employees will have a new resource to help with personnel needs. That's when the MI HR service center opens its doors - and its phone lines.

The service center, which will be located in the Capitol Commons Center, is an entirely new office that will offer basic personnel services to all state employees.

"Staff at MI HR will be able to help employees with a variety of routine services," said **Joyce Macauley**, DMB Human Resources Division manager.

For example, employees will be able to call the service center to change insurance coverage options during open enrollment. MI HR staff also can help employees update benefits, personal or payroll information. In addition, staff will provide support for HRMN Self-Serv, such as assisting employees with password information or helping them navigate the site.

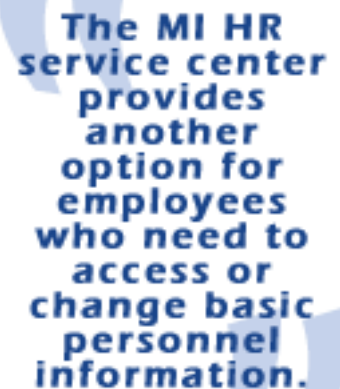
"Some employees already are performing these updates on their own using HRMN Self-Serv," Macauley noted. "The MI HR service center provides another option for employees who need to access or change basic personnel information."

"The main thing that is changing is the contact for some services," she said.

With the creation of the service center, there will be a reduction in DMB Human Resources staff; therefore, assistance with routine inquiries and issues will be handled by MI HR staff and not the department's HR office.

But Macauley pointed out, "The HR office is still available to employees; however, our focus will be on assisting employees with the more complex and specialized personnel issues. We will continue to consult with employees and managers on compensation and complex benefit issues, hire and classify employees, and manage disability programs, among other duties. Labor relations and administration functions such as safety, unemployment claims and workforce planning will remain with the human resources staff."

Additional information about the center, including contact numbers, will be released shortly before the center opens.

A graphic consisting of a large, stylized blue quotation mark on the left and a block of text in blue on the right. The text is a quote from Joyce Macauley.

The MI HR service center provides another option for employees who need to access or change basic personnel information.

News from the Offices

Kudos

DMB's Grand Tower tenants acknowledged the good work being done by the building's maintenance crew.

Living the Values

At the April meeting of the building's tenant

relations committee, Family Independence Agency representatives acknowledged the improved appearance of their surroundings and the building's grounds and lobby. They also noted that building staff responded promptly to maintenance requests.

Larry Scates, DMB building manager, commended the efforts of workers **Garold Hart**, **Mike Noonan** and **Kirk Brenner**.

DMBusiness: Asset efforts build revenue, optimize real estate

*Each month, DMBusiness offers perspectives on Department of Management and Budget priorities. This month, Strategic Asset Management Director **Tom Saxton** answers questions that affect the department for 2004.*

What is your office doing to support DMB's 2004 priorities?

Strategic Asset Management staff members are working in many ways to support DMB's priorities, especially in the areas of revenue enhancement and real estate optimization. Major accomplishments toward this goal include:

- Refinancing State Building Authority (SBA) bonds for savings of more than \$9 million.
- Expanding the SBA's commercial paper program to save \$23 million in FY 2004.
- Refinancing the Cadillac Place Certificate of Participation (COPS) to save more than \$47 million over the next 17 years.
- Generating \$12.5 million through the pending sale of the State Plaza Building.
- Selling 34 acres from the State Fair Grounds for \$6 million.
- Negotiating the lease and refurbishing of the State Fair's field house for \$100,000 a year and \$1.6 million in capital improvements.
- Negotiating savings of more than \$6 million in lease costs this fiscal year.
- Developing and releasing requests for proposals for replacement space for the Department of Community Health's office space, which is currently located in the Baker-Olin Buildings.
- Preparing materials to rebid the sale of the former Northville Psychiatric Hospital Property.

What benefits will your office's efforts bring to DMB and state government?

Staff members in Strategic Asset Management ensure that the state's real estate portfolio meets the needs of state government, whether it is through leasing of space, providing financing for the construction of buildings, or disposing of properties that are no longer needed. Looking at the state's portfolio from a strategic point of view allows DMB to save the state money by consolidating offices or locating different state offices in shared facilities.

What future efforts to enhance revenue will we see from SAM?

SAM will continue to work toward lowering lease costs, exploring new and creative financing and refinancing options, and identifying and disposing of surplus state real estate assets. All these activities will help the state bring in revenue or decrease expenditures.

News from the Offices

Forums offer opportunities for business

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Forum participants will represent DMB as well as the Departments of Labor and Economic Growth, Information Technology, Civil Rights, Corrections and Transportation; the Michigan Economic Development Corp.; the Small Business and Technology Development Centers; the Procurement Technical Assistance Centers; and many higher education and other procurement agencies.

More information about the forums is available from **Claudia Allen**, (517) 373-8139 or allenc@michigan.gov.

A point of pride

According to the U.S. Post Office, DMB's Mailing Services is the largest postal customer in the region and the second largest in the state. GM is the largest mail customer in Michigan.

DMB hopeful for Northville sale

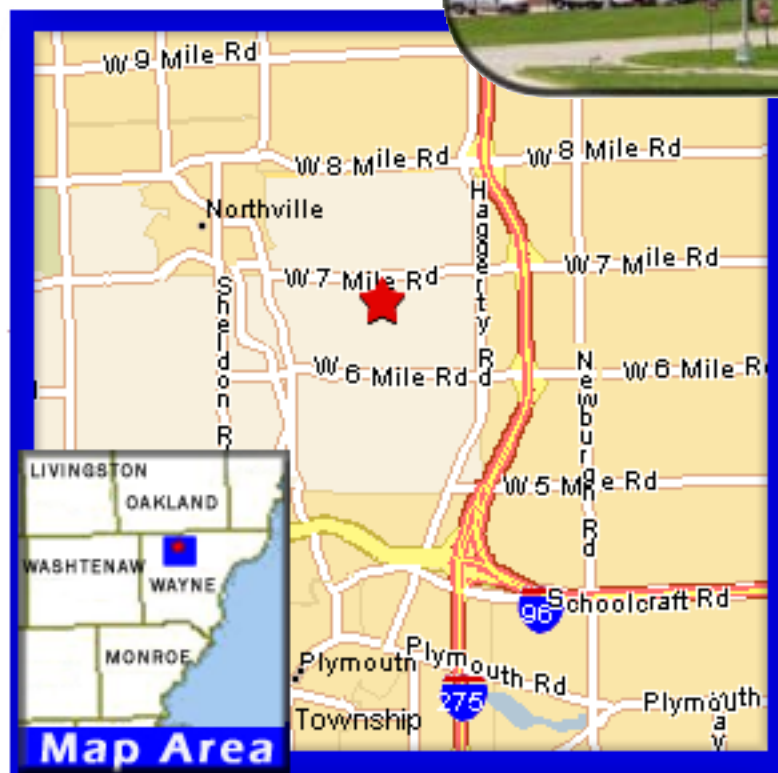
This Friday the Department of Management and Budget will open bids for the Northville Psychiatric Hospital property, and Tom Saxton hopes the third time is the charm. The Strategic Asset Management director said that selling the multimillion-dollar property before the fiscal year starts Oct. 1 is one of the critical steps in balancing the budget for the current fiscal year.

Proceeds from the sale have been earmarked for Michigan's public universities. Schools that held tuition increases to the rate of inflation were told by Gov. Granholm they would recoup 3 percent of the money. Without the expected proceeds, these payments would likely be delayed.

Although the first two Northville bids did not end in a sale, Saxton is not discouraged by the outcome.

"It's not unusual when you get into a real estate deal of this magnitude," he said. "It's not like buying a home. We received good bids for

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(Above) Northville Psychiatric Hospital. (Left) The hospital property on Seven Mile Road in Northville is one of the most attractive properties ever offered for sale by the state.

News from the Offices

Kudos

Two Human Resources employees received special notes of thanks for the service they provided.

Jeff Herstein, a DMB employee from Flint, was grateful for help he received from **Joy Gerecke**, personnel management assistant.

"The friendly and professional way you assisted me on the phone was a great relief," he wrote.

Carolyn Phillips from the Department of Information Technology said managers in her office praised **Angie Fuqua**, personnel specialist, for her excellent customer service.

"Angie has clearly established rapport with them and has a good understanding of their position needs. They are very appreciative to have her as their recruiter," Phillips said.

Institute honors Gilliland as auditor of the year

Mike Gilliland, director of DMB's Audit Services Bureau, was honored as Auditor of the Year by the Institute of Internal Auditors.

Gilliland has been employed with the state for 18 years. He started his career as an auditor with the Office of the Auditor General. He began working for DMB as the department's internal auditor in 1998 and was appointed director of the Internal Audit Division in September 2002.

During his time with DMB, Gilliland has gone from the "lone" auditor to leading a staff of 13. He has been instrumental in consolidating internal audit functions, leading his staff in a number of critical audits and investigations. In 2002, he proposed and negotiated an administrative partnership between DMB and the new Department of Information Technology to provide the internal audit function under his leadership. In 2003, he proposed a similar partnership between DMB and the Department of Treasury, providing treasury officials with a bold audit plan to alert them of internal control risks that may exist in their major information technology systems.

"Mike has established a model that, when followed by other entities, will make a significant and lasting contribution to the quality, efficiency and the effectiveness of internal auditing," said Tom Luccok, Institute of Internal Auditors.



DMB Director **Mitch Irwin** congratulates **Mike Gilliland**, who was named Auditor of the Year by the Institute of Internal Auditors. Gilliland is director of DMB's Audit Services Bureau.

News from the Offices



DMB Director **Mitch Irwin** and Deputy Director **Phyllis Mellon** visited six departments during Public Service Recognition Week, May 3-9. At Mailing Services, machine unit supervisor **Mike Armstrong**, left, shares one of the treats Irwin brought, while lead worker **Kit Tien** visits with Mellon, at right. During the recognition observance, Irwin and Mellon visited throughout the department and thanked employees for their effort.

Awards honor employees

(Continued from page 1)

DMB employees may nominate their colleagues or supervisors for the recognition. A nine-member committee representing all four employee groups throughout DMB will choose the winners.

Information about the program as well as links to the nomination form will be available on the DMB Web site. The Web address for these materials will be announced in an upcoming edition of iDMB Weekly. The nomination deadline is July 31.

CD library offers business titles

Would you like to learn more about key business concepts but feel you don't have time?

With Organizational Development's new audio book library, you'll find it easier to turn "no time" into "know time." The collection of CDs offers a number of popular business titles for you to enjoy at your convenience and at no charge. Each book summary lasts 45 minutes - much less time than the 10 to 15 hours typically required to read many business books.

A few titles include "The 7 Habits of Highly Effective People" by Stephen R. Covey, "The Balanced Scorecard" by Robert S. Kaplan, "The Fifth Discipline: The Art and Practice of the Learning Organization" by Peter M. Senge, "Built to Last" by James C. Collins and "The Innovator's Dilemma" by Clayton M. Christenson.

For a complete list of titles and book descriptions, visit www.michigan.gov/dmb/0,1607,7-150-9137_12609_31239-,00.html. To borrow one of the audio books, contact Cindy Shaw at (517) 335-5283 or shawc@michigan.gov.

News from the Offices



Ben Bissell made a special visit to Cadillac Place to meet **Gov. Jennifer Granholm**. Bissell is the nephew of **Pete Ratu**, DMB's outstate facilities manager at Cadillac Place.



Governor visits outstate offices

At a family function last month, 8-year-old **Ben Bissell** announced to his relatives that he wanted to meet **Gov. Jennifer Granholm**.

By coincidence, Ben's uncle **Pete Ratu** was meeting the governor the following day, May 3, when she visited Cadillac Place for a Public Employee Recognition Week reception.

"I said she was going to be in the building," said Ratu, the outstate facility manager for Cadillac Place, "never thinking he could make it. But his father brought him down, and I cleared it with the governor's staff here."

Ben was not the only person who wanted to meet the governor. Employees in Saginaw and Grand Rapids also were able to meet her May 4 and 5 at receptions in those cities.

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(Left) **Constance Luckett**, director of quality assurance with the Unemployment Insurance Agency, shares her thoughts with the governor during the May 3 employee reception at Cadillac Place.



(Left) **Don Hannah**, DMB's outstate facility manager in Saginaw, invited state employees throughout the tri-cities area to attend the governor's reception at the Jerome T. Hart Building May 4.



(Above) **Johnnie A. Thomas**, the security director at Cadillac Place, poses with the governor.

(Right) **Jack Nolish**, chair of the Worker's Compensation Board of Magistrates, and **David Plawecki**, director of the Department of Labor and Economic Growth, joined the governor during the Public Service Recognition Week event in Detroit.



News from the Offices

Flags to fly at half-staff for Reagan

Gov. Jennifer Granholm directed that U.S. flags be flown at half-staff at all state buildings and facilities through Monday, July 5, as a mark of respect for former President Ronald Reagan.

"President Reagan transformed our nation's psyche with his optimism and positive vision," Granholm said. "He was a strong leader who made a lasting mark on our nation's history. He was gentle and kind, and every American can learn from his example."

New consortium cuts energy costs

One cooperative effort involving the Department of Management and Budget is saving money for a number of agencies that use state funds to operate.

DMB and universities in Michigan negotiated a special contract with Consumers Energy that is reducing electrical costs to the participants. DMB recently presented Department of Corrections officials with a check for \$265,824 - the amount Corrections has saved as a result of the special arrangement.

The state and the schools formed the Higher Education Purchasing Consortium, a group that is saving money through combined purchasing efforts. Cutting energy costs is a primary area of interest for the group.

The consortium's arrangement with Consumers Energy reduces the group's electric rates by 7 percent; 2 percent of those savings come from participation in the Consumers Energy Peak Load Management Program. Michigan's corrections facilities are able to generate their own backup power. When electricity use is exceedingly high, Consumers is able to ask Corrections to leave its system for a few days, freeing up some of its resources to meet the increased need.

The Corrections' check represents its Peak Load Management Program savings for fiscal year 2003. In September, the department expects to receive a similar amount for fiscal year 2004 savings.



Jim Konrad, director of tactical purchasing, center, presents **Dave Flack**, assistant manager of the Department of Corrections physical plant division, with a check for \$265,824. That amount is the department's electrical savings from a special arrangement with Consumers Energy. Pictured at the left is **Patricia Caruso**, the director of the Michigan Department of Corrections. Pictured at the right are **Sean Carlson**, DMB Acquisition Services director, and **Mitch Irwin**, DMB director.

News from the Offices

Governor visits outstate

(Continued from page 7)

"It was the first time a governor came to visit the Saginaw building," said **Don Hannah**, Saginaw facility manager.

Thanks to Hannah, about 200 people attended the hour-long gathering with Granholm. He called managers at other state facilities, including the Department of Environmental Quality in Bay City and the Corrections facility in Freeland, to extend personal invitations to their employees.

Although the many state employees who met with the governor seemed quite pleased by the opportunity, presumably none were as deeply affected as Ben.

"My nephew was absolutely elated by the opportunity - to the point of not wanting to take a shower that evening because the governor had shaken his hand and touched his shoulder," Ratu said.

Safe mowing requires care

All winter long, we peer through ice-frosted windows, grumbling about the snow waiting to be shoveled and wishing for summer. But the return of warm, sunny days brings another set of chores - yard work that requires lawn tenders to take special safety precautions.

Always prepare your lawn for mowing.

- Before you start mowing, check your lawn for items such as sticks, rocks, toys, dog bones and sports equipment.

Handle fuel with care.

- Always use care when filling the tank with gasoline.
- Wipe up spills.
- Never fill the tank on a mower that has been operating and is hot.
- Never smoke or use any type of flame around gasoline.

Wear appropriate clothing and shoes.

- Wear long pants and long-sleeved shirts, close-fitting clothes, eye protection and heavy gloves when mowing and hearing protection when needed.
- Do not operate a mower when barefoot or wearing open sandals. Wear sturdy shoes.

Check guards and shields on your mower.

- Know how to operate your equipment.
- Know where the controls are and what they do.
- Don't remove or disable guards or other safety devices.

Use a mower with an automatic blade shut-off.

- Use a mower that has an automatic blade shut-off on the handle.
- Never reach underneath a mower while it is still operating - even if the blade is not spinning.

Don't cut grass when it's wet.

- Wet clippings can clog the discharge chute and jam the blade.
- Wet grass also can cause the mower or your feet to slide because of reduced traction.

Riding mowers can be dangerous.

- Passengers should **NEVER** be allowed on a riding lawn mower.
- Don't use a riding mower to mow areas where the lawn slopes.



News from the Offices

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Northville property to be rebid

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the property, but the earlier unsuccessful bids were primarily driven by factors outside our control."

A number of issues in the sale make this a complicated transaction. The prospective buyer must work out number of issues, including township zoning ordinances.

Township officials have mapped out a development plan for the property, which will result in a very attractive mixed-use development. The plan includes many types of developments from single-family housing to retail and commercial space. Bid specifications require that the developer donate no less than 40 acres to the township to be used for a school and other public purposes.

The new owner will need to demolish 28 buildings on the property. The site also contains two working oil wells, which are operated by an outside company, and a power plant that supplies the nearby state-owned Hawthorn Center.

Even with these issues, the psychiatric hospital site is one of the most attractive properties ever offered for sale by the state. It includes more than 400 acres in Northville Township, a fast-growing Detroit suburb. The acreage is the only substantially undeveloped property remaining in the affluent community.

"Typically, a deal like this would take years to complete," said **Tracy DeClercq**. She and **Carol Schulz** have worked on the deal since the first round of bids a little more than a year ago.

As part of their proposal, bidders will submit a \$3 million good-faith deposit. The successful bidder will have 90 days to inspect the property and 14 days to close by Sept. 30, 2004. If the bidder does not complete the sale, the company forfeits \$200,000 of its deposit.

Deadline for bids is June 11 at 10 a.m. Bids will be opened that day and reviewed to ensure that the proposals meet bid requirements. Saxton hopes DMB will be able to notify the successful bidder within a week.

"I feel confident that we have done everything we can to make this process go smoothly," he said.